

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03  
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06  
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/090 W

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R 171500Z DEC 76  
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INFO AMEMBASSY BELGRADE  
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AMEMBASSY BUCHAREST  
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AMEMBASSY LONDON  
AMEMBASSY PARIS  
AMEMBASSY MOSCOW  
AMEMBASSY PRAGUE  
AMEMBASSY SOFIA  
AMEMBASSY WARSAW  
USMISSION USBERLIN  
USMISSION NATO

C O N F I D E N T I A L BERLIN 7306

E O 11652: GDS  
TAGS: EEWT, GE, SU, PFOR  
SUBJ: GDR-USSR 1977 TRADE PLAN SIGNED.

REF: BERLIN 5011 (JAN 76)

SUMMARY: THE GDR-USSR TRADE PLAN FOR 1977 CALLS FOR  
EXCHANGE OF 6.4 BILLION RUBLES WORTH OF GOODS NEXT YEAR.  
SOVIET EXPORTS WILL CONSIST PRIMARILY, BUT NOT  
SOLELY, OF RAW MATERIALS; AND THE GDR WILL DELIVER  
MACHINERY AND EQUIPMENT AND SOME CONSUMER GOODS. THE  
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PLANNED 1977 TURNOVER APPARENTLY REPRESENTS AN INCREASE  
AFTER STAGNATION OF TRADE IN 1976. END SUMMARY.

1. NEUES DEUTSCHLAND DECEMBER 15 REPORTS SIGNATURE IN  
BERLIN THE DAY BEFORE OF THE 1977 GDR-SOVIET TRADE PLAY BY  
FOREIGN TRADE MINISTERS SOELLE AND PATOLICHEV. COUNCIL

OF MINISTERS CHAIRMAN STOPH, DEPUTY COUNCIL OF MINISTERS CHAIRMEN KROLIKOWSKI AND NEUMANN, POLITBURO MEMBER MUECKENBERGER, POLITBURO CANDIDATE MEMBER MUELLER, PLANNING COMMISSION CHAIRMAN SCHEURER, AND A FLOCK OF OTHER COUNCIL OF MINISTERS MEMBERS ALL THROUGH THE OCCASION IMPORTANT ENOUGH TO LEND IT THEIR PRESENCE.

2. ACCORDING TO THE ND ACCOUNT, THE TRADE PLAN CALLS FOR THE EXCHANGE OF 6.4 BILLION RUBLES WORTH OF GOODS IN 1977; AND IS SAID TO BE BASED ON OR INTEGRATED WITH A LIST OF OTHER BILATERAL ECONOMIC AGREEMENTS: THE GDR-USSR FIVE YEAR TRADE AND PAYMENTS AGREEMENT (REFTTEL), A BILATERAL AGREEMENT ON COOPERATION FOR THE CREATION OF FUEL AND RAW MATERIAL PRODUCTIVE CAPACITY IN THE USSR, AGREEMENT ON PRODUCTION COOPERATION AND SPECIALIZATION, AND DECISIONS OF THE BILATERAL COMMISSION ON ECONOMICS AND TECHNOLOGICAL COOPERATION.

3. THE MAIN SOVIET DELIVERIES UNDER THE AGREEMENT ARE GIVEN AS CRUDE PETROLEUM, NATURAL GAS, ANTHRACITE COAL, AND COKE, IRON ORE, ROLLED FERROUS PRODUCTS, COOPER, ALUMINUM, ZINC, LEAD, AND OTHER METALS, MACHINE TOOLS, CONSTRUCTION AND EARTH-MOVING EQUIPMENT, TRACTORS, AND TRUCKS. OTHER SOVIET EXPORTS ARE TO INCLUDE ASBESTOS, CELLULOSE, LUMBER, PAPER, BENZOL, NAPHTHALYNE, TURPENTINE, ORGANIC PIGMENTS, AND SYNTHETIC RUBBER.

4. GDR IMPORTS OF SOVIET CONSUMER GOODS WILL INCLUDE GRAIN, FISH, TEA, 62,400 ZHIGULI, ZAPOROZHETS, MOSKVICH  
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AND VOLGA PASSENGER CARS, WATCHES, TELEVISION RECEIVERS, TRANSISTOR RADIOS, HOUSEHOLD APPLIANCES, COTTON TEXTILES, PHONOGRAPH RECORDS, SPORTING GOODS, JEWELRY AND ARTWORK.

5. GDR DELIVERIES TO THE USSR WILL CONSIST TO A CONSIDERABLE DEGREE OF TI IUIPMENT, INCLUDING TURNING AND FORMING MACHINE TOOLS, AND COMPLETE LINES FOR VEHICLES PRODUCTION AND ROLLER BEARING INDUSTRY, LIFTING AND TRANSPORT MACHINERY, MACHINERY AND EQUIPMENT FOR THE CHEMICAL, FOOD, LIGHT, AND POLYGRAPHIC INDUSTRIES, ELECTRICAL AND ELECTRONIC PRODUCTS, SCIENTIFIC INSTRUMENTS, AGRICULTURAL MACHINERY, ROLLING STOCK, SHIPS AND SHIP EQUIPMENT. THE GDR IS, IN ADDITION, TO SUPPLY CONSUMER GOODS PRODUCED BY T XPLECTRICAL AND ELECTRONICS INDUSTRY, CHEMICAL, AND LIGHT INDUSTRY.

6. DURING HIS VISIT, PATOLICHEV WAS RECEIVED SEPARATELY BY STOPH AND HONECKER. EAST GERMAN PRESS ACCOUNTS

OF THOSE MEETINGS SAID THAT THE SUBJECT DISCUSSED INCLUDED SOCIALISTS INTEGRATION AND FURTHER IMPLEMENTATION OF THE CEMA COMPREHENSIVE PROGRAM.

7. NEUES DEUTSCHLAND'S HEADLINE CALLS THE 6.4 BILLION RUBLE TARGET A "SIGNIFICANT INCREASE" IN SOVIET-GDR TRADE, BUT NEITHER LAST YEAR'S TARGET NOR FIGURES FOR 1976 TRADE HAVE BEEN ANNOUNCED, SO IT IS HARD TO INTERPRET WHAT IS GOING ON. SOVIET FOREIGN TRADE DATA FOR THE FIRST HALF OF 1976 SHOW A STRIKING STAGNATION OF SOVIET-GDR TRADE, WHICH AT MID YEAR SHOWED GDR EXPORTS (OF 1.38 BILLION RUBLES) DOWN 2.6 PERCENT, COMPARED WITH THE 30 PERCENT INCREASE IN THE VALUE OF TRADE THAT TOOK PLACE IN 1975, THE FIRST YEAR OF CEMA PRICE INCREASE. IF THE 6.4 BILLION FIGURE IS A SIGNIFICANT INCREASE, WHICH IT SEEMS THAT IT IS, IT APPARENTLY SIGNALS A CHANGE IN GDR POLICY, WHICH AT LEAST IN 1976 SEEMED TO BE AIMED AT RESTRICTING TRADE WITH

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THE SOVIETS. THIS WOULD BE CONSISTENT WITH WHAT WE BELIEVE IS A POST-SINDERMANN EFFORT TO PLAY UP AND COOPERATE MORE FULLY WITH SOVIET INTEGRATIVE SCHEMES. POLANSKY

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## Message Attributes

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